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NAVAL SUPPLY SYSTEMS COMMAND

NAVAL INVENTORY CONTROL POINT

PBL SUB-TEAM OUT-BRIEF

3 November 2004

Ready. Resourceful. Responsive!

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PBL TEAM

Team Leader: Steve Santos
Facilitator: Jeff Brown/Troy Bourgeois
Sponsor: CAPT Kenney/CAPT Ellis

<u>Team Members:</u>

Maria Allen (02) Anita Perlman (03) Doug Nevins (02)
Buster Jones (07) Elliot Redman (03)
Karen Faber (03) Berkley Reid (84)
Madeline Moore (02) Bob Wolfe (84)

Workload Savings Goals

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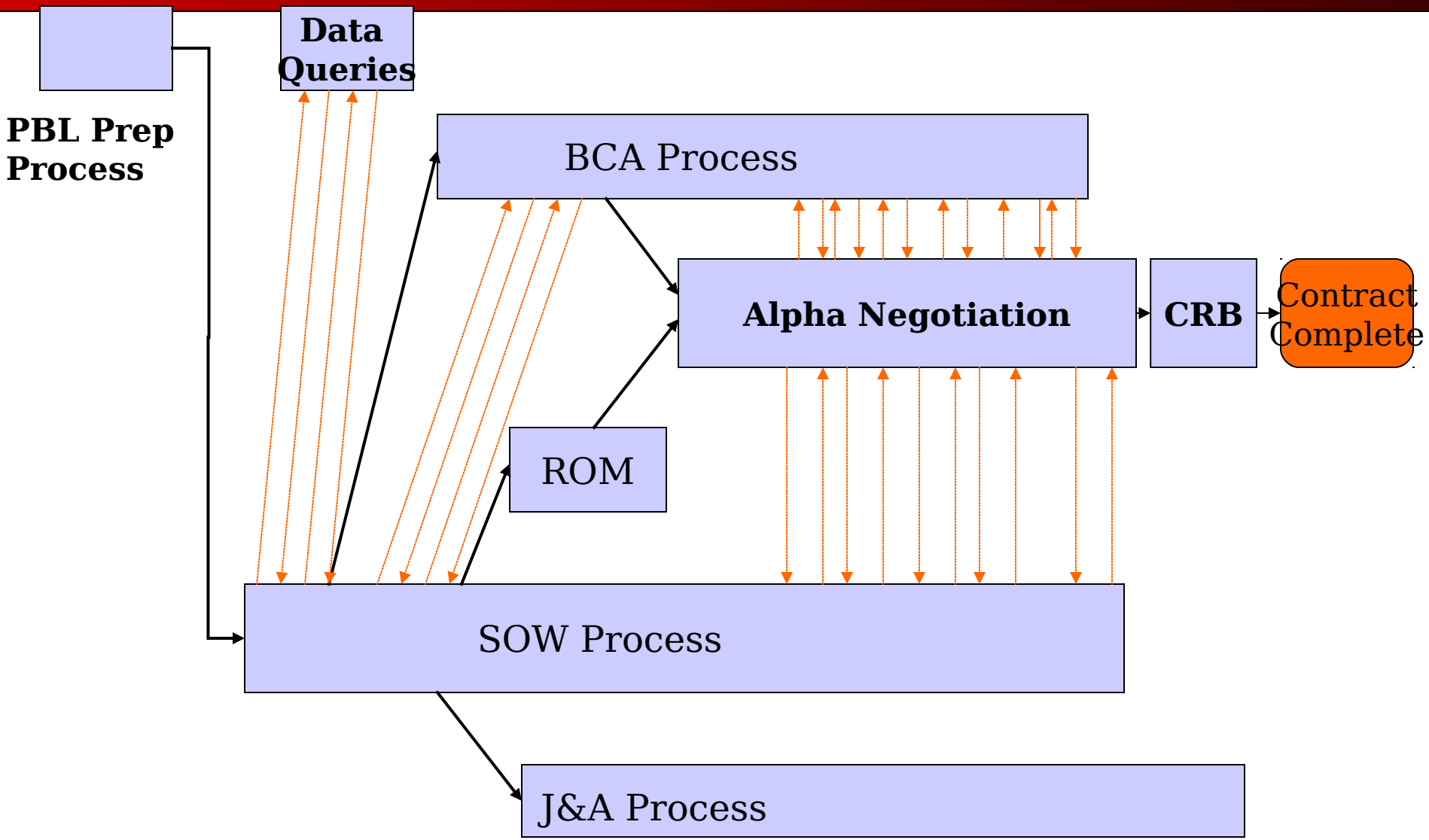
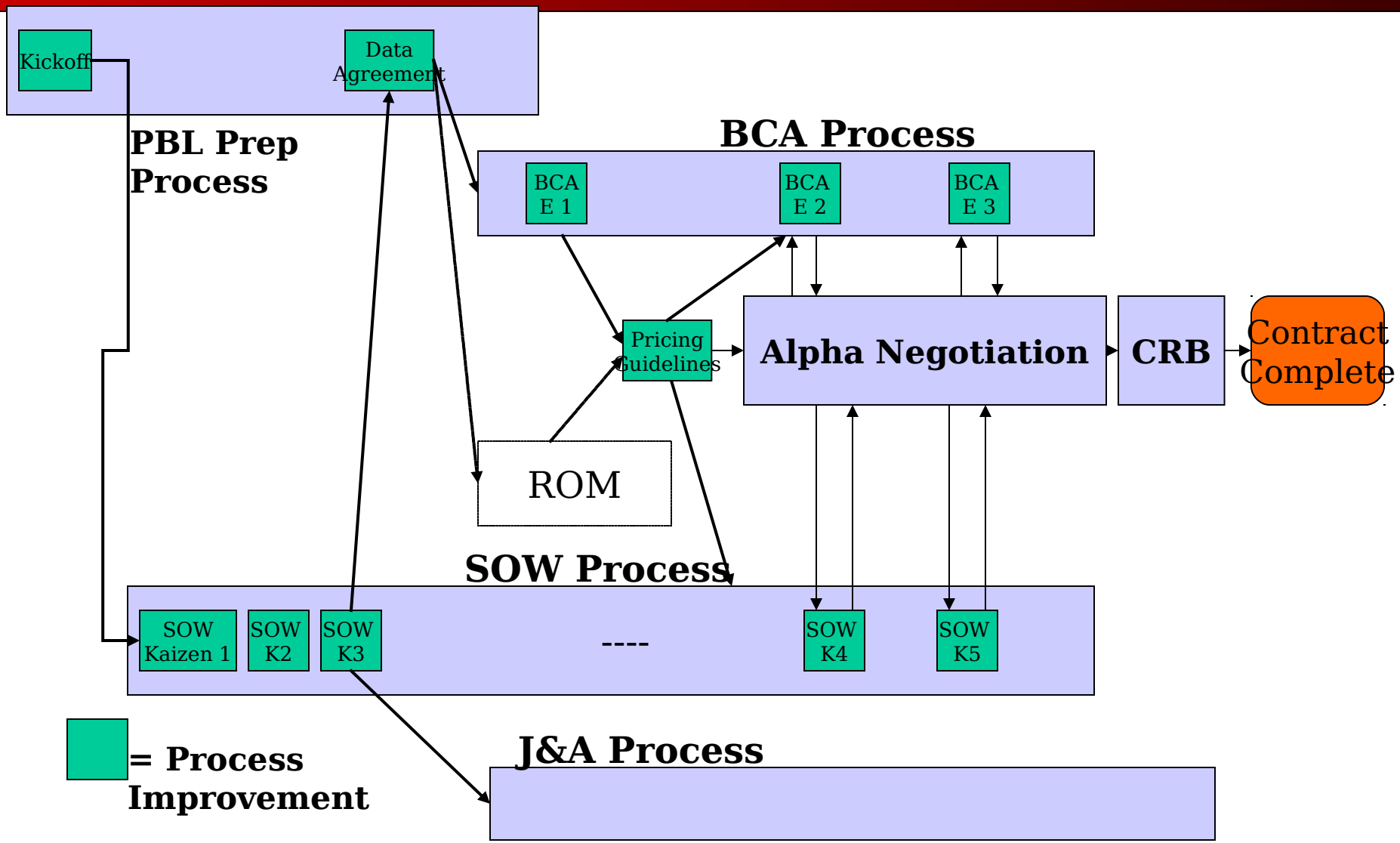
- ove non-value-added steps in the PBL Process Value Stream with the g
oming LEAN while reducing the variability in the process.

Category	FTE Per June 2004 Spread Sheet	Savings Goal	Proposed savings
F& P Acq Planning	70	7 – 10	9.0
Procurement PBL	71	7 - 10	10.2
Total	141	14 - 20	19.2

PBL Process and Sub-processe
Current State



PBL Process and Sub-proces
Future State



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PBL PROCESS ELAPSED TIME

29 MONTHS AVG

AS IS

SOW (19 Months)

BCA (21 Months)

J&A (8 Months)

ALPHA (10 Months)

14 MONTHS AVG

TO BE

SOW (9 Months)

BCA (12 Months)

J&A (5 Months)

ALPHA (5 Months)

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PBL PROCESS TOUCH TIME

3841 HRS AVG

AS IS

SOW (1270 Hours)
BCA (1371 Hours)
J&A (124 Hours)
ALPHA (1076 Hours)

2131 HRS AVG

TO BE

SOW (475 Hours)
BCA (768 Hours)
J&A (68 Hours)
ALPHA (820 Hours)

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ROOT CAUSES

- Wide variation in the process
  - Guidance
  - Skills
  - Knowledge
- IPT Meeting time/agenda conflicts
- Too many reviews/rework
- Manual effort
- Inadequate input data (for new equip)
- Insufficiently defined requirements
- Lack of dedicated resources

SOLUTION 1
EVENT DRIVEN PROCESS

KICK OFF (3.9 FTE savings)

SOW DEVELOPMENT (1.9 FTE savings)

DATA AGREEMENT (5.0 FTE savings)

PRICING GUIDELINES (1.7 FTE savings)

TOTAL FTE SAVINGS

- 12.5 FTE

– Benefits:

- 50% Improvement in Cycle Time
- Reduces learning curve/provides training
- Eliminates rework

– Challenges:

- Competing Priorities/Scheduling conflicts/Lack of travel funds

SOLUTION 2
PROJECT MANAGER

- Responsibilities…enabler for “Events”
  - Schedules and facilitates all events
  - Develops the POAM
  - Monitors achievement of milestones
  - Assigns and tracks action items
  - Maintains metrics
- FTE SAVINGS: 1.3 FTE Net
- Benefits:
  - Reduced learning curve
  - Effective events
  - Identifies areas for continuous improvement
  - PBL development process can be monitored and controlled
- Challenges:
  - Access to resources with the right skill set
  - Reallocating staffing for the Project Management Team

SOLUTION 3
STATEMENT OF WORK TOOL

Enabler for SOW event

- WEB Based
- Menu driven…drop down boxes
- Pre-reviewed statements to choose from
- FTE SAVINGS
  - 3.7 FTE
- Benefits:
  - Eliminates redundant reviews
  - Reduces touch time
  - Accelerates document development
- Challenges:
  - $60K development cost; Initial investment of review time

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SOLUTION 4
J&A Tool

- WEB based
- Electronic signature capability
- Workflow management capability
- Includes checklists from KO/CA/Legal
- FTE SAVINGS
  - .3 FTE
- Benefits:
  - Eliminates variation in expectations
  - Reduces review time
  - Reduces J&A development time
- Challenges:

  Resistance to workflow controls

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Summary Of Improvements

PBL Process

- ***Cycle Time Reduction: 50%***
- ***Touch Time Reduction: 45%***
- ***FTE Savings: 13%***